

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN RE: : CHAPTER 11
:
BEAUTIFUL BROWS LLC, : CASE NO. 18-66766-JWC
:
Debtor. :
:

REPORT OF SALE

COMES NOW S. Gregory Hays, the Chapter 11 Trustee in the above-captioned matter, and files this Report of Sale pursuant to Bankruptcy Rule 6004(f), and shows the Court as follows:

1.

On or about May 31, 2019, the Trustee sold the Personal Property, as defined in the Asset Purchase Agreement attached hereto as Exhibit “A”, (“**Property**”) to Nilkanth Salon, LLC and Guru Hari, LLC by and through Minal Patel and Magan Patel (“**Purchaser**”) for \$285,000.00 pursuant to the *Order Granting Trustee’s Motion (A) for Authority to Sell Assets Free and Clear of Liens, Claims, Encumbrances, and Interests; (B) to Assume and Assign Certain Executory Contracts; and (c) to Establish Procedures with Respect to Such Sale* [Doc. No. 146] entered on May 29, 2019.

2.

Attached hereto as Exhibit “A” is a copy of the Asset Purchase Agreement signed by the Trustee transferring the Property to the Purchasers. The Trustee reports that he has completed the delivery of the Property to the Purchaser and netted \$267,900.00 from the

sale after payment of the business broker's commission.

Respectfully submitted this 26th day of June, 2019.

Hays Financial Consulting, LLC
2964 Peachtree Road, N.W., Suite 555
Atlanta, Georgia 30305
(404) 926-0060
ghays@haysconsulting.net

/s/ S. Gregory Hays
S. Gregory Hays
Chapter 11 Trustee

Exhibit “A”

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is made and entered into this 31st day of **May, 2019**, by and between S. GREGORY HAYS as Chapter 11 Trustee ("Trustee") for **BEAUTIFUL BROWS LLC**, a Georgia limited liability company, and **Nilkanth Salon, LLC and Guru Hari, LLC** by and through **Minal Patel and Magan Patel** both Georgia residents (collectively the "Purchaser").

WITNESSETH:

WHEREAS, Beautiful Brows LLC (the "Company") filed a Chapter 11 bankruptcy petition on October 3, 2018 in the United States Bankruptcy Court for the Northern District of Georgia (the "Bankruptcy Court") which is pending under Case No. 17-18-66766-JWC;

WHEREAS, on November 21, 2018, **S. Gregory Hays ("Trustee")** was appointed as Chapter 11 trustee pursuant to the Bankruptcy Court's consent order entered on November 16, 2018 [Doc. No. 43];

WHEREAS, Trustee desires to sell, assign, convey, and transfer to the Purchaser and Purchaser desires to purchase from Trustee the Personal Property (as defined herein) of the Company, upon the terms and subject to the conditions provided in this Agreement; and

WHEREAS, the Purchaser made a successful bid before the Bankruptcy Court and the Bankruptcy Court has granted approval pursuant that certain Order entered on May 31, 2019, as copy of which is attached hereto as Exhibit "A" (the "Sale Order");

NOW, THEREFORE, it is agreed as follows:

SECTION 1. COVENANTS AND AGREEMENTS

1.1 Purchase and Business Assets. Trustee does hereby agree to sell to Purchaser and Purchaser does hereby agree to purchase from Trustee the Personal Property of the Company on the terms and conditions hereinafter set forth.

1.2 Purchase Price. The Purchase Price for the Personal Property shall be **\$285,000.00** (the "Purchase Price"), which shall be paid to Trustee by Purchaser at Closing (as defined below). Prior to execution of this Agreement, Purchaser has paid to the Trustee **\$16,000.00** as Earnest Money which shall be applied to the Purchase Price at Closing, or paid to the Trustee if the Closing does not occur as a result of Purchaser's actions or inactions.

1.2(a) The Purchaser has delivered certified funds totaling \$151,000 (including the \$16,000 deposit). Purchaser has delivered a personal check to Trustee in the amount of \$134,000, for which Purchaser's bank has confirmed that funds will be available by June 4, 2019 at 9:00 a.m. As soon as said funds clear, Trustee will assign the Debtor's leases to Purchaser as set forth in section 1.4 below. In the event that the funds from Purchaser's personal check do not clear by June 4, 2019, Trustee may void this transaction and reclaim possession of the Debtor's Personal Property. Trustee may retain all other funds paid as liquidated damages.

1.3 **Closing.** The closing (the "Closing") of the sale hereunder shall take place on **May 31, 2019** (such date and time being herein called the "Closing Date").

1.4 **Assignment of Leases.** Trustee shall assign the Company's following retail lease locations to Purchaser or Purchaser's designated entities: (i) retail store at Arbor Place Mall in Douglasville, Georgia leased from CBL & Associates Management, Inc. ("CBL") and (ii) retail store at the Mall of Georgia in Buford, Georgia leased from Simon Property Group, L.P. ("Simon").

1.4(a) **Personal Guarantees.** Purchaser shall provide CBL and Simon with personal guarantees as stated in the Sale Order as part of its obligation to provide adequate assurance of future performance to CBL and Simon.

1.5 **Transfer of Personal Property.** On the Closing Date, against payment therefor as provided in Section 1.2, the Company through the Trustee shall deliver, "as-is, where-is", (i) all of the Company's inventory, including raw materials, work in progress, orders in process, and finished products, if any, (ii) all of the Company's furniture, fixtures, and equipment, (iii) the Company's telephone numbers, internet and social media marketing accounts, and (iv) the Company's trade name(s) (all such personal property defined herein as the "Personal Property") to Purchaser, or to a designated company which Purchaser owns.

SECTION 2. SURVIVAL OF REPRESENTATIONS

2.1 **Representations and Agreements.** All representations and agreements in this Agreement and in any certificate, instrument, or other document delivered by the parties to each other in connection therewith shall survive the Closing and shall not merge in the performance of any obligation by any party hereto.

SECTION 3. MISCELLANEOUS PROVISIONS

3.1 **Survival of Representations.** All statements contained in any exhibit, schedule, document, certificate or other instrument delivered by or on behalf of any party hereto or in

connection with the transactions contemplated hereby shall be deemed to be representations, warranties and agreements made by the parties pursuant to this Agreement and shall survive the consummation of the transactions contemplated hereby.

3.2 Entire Agreement. This Agreement constitutes and contains the entire agreement among the parties pertaining to the subject matter hereof and all prior and contemporaneous agreements and understandings of the parties, whether written or oral, are terminated and superseded and shall be deemed merged herein. There are no representations, arrangements, understandings or agreements, oral or written, among the parties hereto relating to the subject matter of this Agreement, except those fully expressed herein. No changes, alterations, modifications, additions, qualifications or amendments to the terms of this Agreement shall be made or be binding unless made in writing and signed by all of the parties hereto. This Agreement may be terminated only by a writing signed by all the parties hereto.

3.3 Successors and Assigns. All provisions of this Agreement shall be binding upon, shall inure to the benefit of, and shall be enforceable by and against all the parties hereto and their respective heirs, legal representatives, executors, administrators, personal representatives, successors, successors-in-title and permitted assigns.

3.4 Governing Law. This Agreement has been negotiated and finally executed within the State of Georgia and the interpretation, validity, and enforceability hereof and the rights of the parties hereunder shall be interpreted, construed, and governed according to the laws of the State of Georgia.

3.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement, binding on all the parties hereto, notwithstanding that all the parties are not signatory to the original or the same counterpart.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

[SIGNATURES ON THE FOLLOWING PAGE]

SELLER:

S. GREGORY HAYS, as and only as Trustee for
BEAUTIFUL BROWS LLC

By:  _____

PURCHASER Nilkanth Salon, LLC

By: Minal Patel
Name: Minal Patel, Manager

By: Magan Patel
Name: Magan Patel, Manager

PURCHASER Guru Hari, LLC

By: Minal Patel
Name: Minal Patel, Manager

By: Magan Patel
Name: Magan Patel, Manager

PURCHASER

By: Minal Patel
Name: Minal Patel

By: Magan Patel
Name: Magan Patel

CERTIFICATE OF SERVICE

I hereby certify that I am over the age of 18 and that on this day I served a copy of the foregoing *REPORT OF SALE* by first class U.S. Mail, with adequate postage prepaid on the following persons or entities at the addresses stated:

Thomas Wayne Dworschak
Office of the United States Trustee
362 Richard B. Russell Building
75 Ted Turner Drive, SW
Atlanta, GA 30303

Beautiful Brows LLC
5002 North Royal Atlanta Dr
Suite M
Tucker, GA 30084

Jason L. Pettie
Jason L. Pettie, PC
P.O. Box 17936
Atlanta, GA 30316

Dated: June 26, 2019.

/s S. Gregory Hays
S. Gregory Hays
Chapter 7 Trustee

Hays Financial Consulting, LLC
2964 Peachtree Road, N.W., Suite 555
Atlanta, Georgia 30305
(404) 926-0060
ghays@haysconsulting.net